

STAT

ARTICLE APPEARED
ON PAGE 4(PART I).

LOS ANGELES TIMES
13 February 1982

Associate of Ex-CIA Agents Admits Aiding Libya Plea Gives U.S. a Witness Against Two Charged With Training Terrorists

By ROBERT L. JACKSON, *Times Staff Writer*

WASHINGTON—A business associate of two former CIA agents pleaded guilty Friday to shipping illegal explosives to Libya and helping the radical Libyan regime train saboteurs and terrorists from 1976 to 1978.

The federal court plea of Douglas M. Schlachter, 39, gave the Justice Department a crucial witness in the prosecution of the two former agents—Edwin P. Wilson and Frank E. Terpil—if they can be apprehended as fugitives and brought to trial. Wilson reportedly is living in Tripoli and Terpil in Beirut.

Assistant U.S. Atty. E. Lawrence Barcella said at a court hearing that Schlachter—working for Wilson and Terpil—helped set up an explosives school in Libya. Most of the explosives were purchased from Jerome S. Brower, a former Riverside County, Calif., manufacturer who pleaded guilty last year to cooperating in the illegal shipments, Barcella said.

Ironically, as Schlachter stood with head bowed listening to the re-

citation of his crimes, a dozen federal marshals ringed the courtroom to protect him—a man who had helped disguise bombs in ashtrays, lamps, alarm clocks and boxes of tea.

In return for Schlachter's guilty plea to charges of conspiracy and violations of the U.S. Munitions Control Act, the government agreed to drop six other principal charges against him and to speak on his behalf before he is sentenced.

Although U.S. District Judge John H. Pratt set no date for imposing sentence, Schlachter could receive a maximum of seven years in prison and be fined as much as \$110,000.

Schlachter, who formerly managed Wilson's 2,400-acre estate in Fauquier County, Va., did not explain the motives for his conduct nor his guilty plea. However, Alvin C. Askew, his attorney, told the judge that his client had "a reasonable belief . . . that he was working within an operation that was sanctioned by the U.S. government."

"He realizes now that that was

not the case," Askew said. Askew previously had told reporters that Schlachter conferred with two high-ranking CIA officials about Wilson's Libyan activities at meetings in the Washington area in 1976 and 1977.

The plea agreement filed in court provides that Schlachter may testify before the House Select Committee on Intelligence after his "complete debriefing by the United States," meaning the Justice Department. The House committee is planning to conduct open hearings on the Wilson-Terpil case within several weeks.

According to federal investigators, Wilson and Terpil signed a lucrative contract in 1976 with Col. Moammar Kadhafi, the Libyan leader, to sell their expertise in intelligence and military matters for the training of Libyan terrorists.

Both men have been living abroad as wealthy fugitives since their indictment in April, 1980, on charges of shipping high explosives and other prohibited military gear to the Libyan regime.